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DEPARTMENT OF NATURAL RESOURCES

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Division of Oil, Gas and Mining

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August 5, 2009

Certified Return Receipt
7003 2260 0002 0247 8300

Robert Steele
1055 North 400 East
Nephi, Utah 84648

Subject: Deficient Amended Notice of Intention to Commence Small Mining Operations, Robert Steele, Gardner Canyon/Nebo Gypsum Mine, S/023/0015, Juab County, Utah

Dear Mr. Steele:

The amendment to the referenced Notice of Intention to Commence Small Mining Operations (NOI), received by the Division on June 10, 2009, is incomplete. The following information is required:

1. The Division needs an updated NOI for this site. There are several problems with the Forest Service Plan of Operations (POO) which has been used as the NOI. Specifically:
 - The operator listed, Golden Glove Mine, Inc., is not registered to business in Utah.
 - The POO does not include a statement that the operator will conduct reclamation as required by the R647 regulations. (R647-3-104.4)
 - The POO indicates operations would be concluded by 2001, and this statement is clearly outdated.
 - There is no indication of how much material will be extracted or moved. (R647-3-106.4)
2. The following deficiencies relate more specifically to the current amendment
 - The map provided does not show the location of the proposed drilling in relation to the mine.
 - The amendment references a five-acre disturbed area, but the current POO says the disturbed area is 2.5 acres. This discrepancy needs to be corrected.
 - The amendment needs to show how deep the drill holes would be, it needs to discuss whether it is likely water would be encountered in the holes, and it needs to show how the areas would be accessed.



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In addition to these items, the Division on April 28, 2008, issued a Division Order with the following requirements:

"Operator has 15 days to:

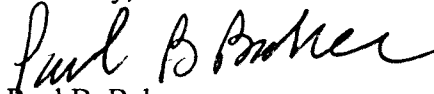
1. Register corporate name with the Utah Department of Commerce.
2. Amend DOGM Notice with corporate name (DOGM NOI is filed as individual, Bond filed as Corporation)
3. Name DOGM on bond with Forest Service
4. Sign reclamation contract with DOGM."

The Division has yet to receive a response to this order. While the Division could take enforcement action at this time, we have decided to give you one more opportunity to resolve this situation. Please submit the required bonding documents no later than August 20, 2009. Failure to do so may result in enforcement action, including withdrawal of the NOI (after opportunity for a hearing before the Board of Oil, Gas and Mining) and the requirement to immediately reclaim the site.

Please contact Penny Berry, Bonding Coordinator, to complete the reclamation surety and reclamation contract requirements. She can be reached at 801-538-5291 or by email at bondcoordinator@utah.gov.

If you have any questions regarding this letter, please call me at 801-538-5261 or Wayne Western at 801-538-5263. In reply, please refer to file number S/023/0015. Thank you for your cooperation.

Sincerely,



Paul B. Baker

Minerals Program Manager